

By: Swanson

H.B. No. 31

A BILL TO BE ENTITLED

AN ACT

1
2 relating to abolishing certain county boards of education, boards
3 of county school trustees, and offices of county school
4 superintendent.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. (a) Each county board of education, board of
7 county school trustees, and office of county school superintendent
8 in a county with a population of 3.3 million or more is abolished
9 effective September 1, 2023, unless the continuation of the county
10 board of education, board of county school trustees, and office of
11 county school superintendent is approved by a majority of voters at
12 an election held on the November 2022 uniform election date in the
13 county in which the county board of education, board of county
14 school trustees, and office of county school superintendent are
15 located. Subsections (b)-(o) of this section do not take effect in
16 a county if the continuation of the county board of education, board
17 of county school trustees, and office of county school
18 superintendent is approved at the election held in the county under
19 this subsection.

20 (b) Not later than January 1, 2023, a dissolution committee
21 shall be formed for each county board of education or board of
22 county school trustees to be abolished as provided by Subsection
23 (a) of this section. The dissolution committee is responsible for
24 all financial decisions for each county board of education or board

1 of county school trustees abolished by this Act, including asset
2 distribution and payment of all debt obligations.

3 (c) A dissolution committee required by this Act shall be
4 appointed by the comptroller and include:

5 (1) one financial advisor;

6 (2) the superintendent of the participating component
7 school district with the largest number of students in average
8 daily attendance or the superintendent's designee;

9 (3) one certified public accountant;

10 (4) one auditor who holds a license or other
11 professional credential;

12 (5) one bond counsel who holds a license or other
13 professional credential; and

14 (6) one person appointed by the commissioner of
15 education.

16 (d) A dissolution committee created under this Act is
17 subject to the open meetings requirements under Chapter 551,
18 Government Code, and public information requirements under Chapter
19 552, Government Code.

20 (e) Members of a dissolution committee may not receive
21 compensation but are entitled to reimbursement for actual and
22 necessary expenses incurred in performing the functions of the
23 dissolution committee.

24 (f) Subject to the other requirements of this Act, the
25 dissolution committee shall determine the manner in which all
26 assets, liabilities, contracts, and services of the county board of
27 education or board of county school trustees abolished by this Act

1 are divided, transferred, or discontinued. The dissolution
2 committee shall create a sinking fund to deposit all money received
3 in the abolishment of each county board of education or board of
4 county school trustees for the payment of all debts of the county
5 board of education or board of county school trustees.

6 (g) The dissolution committee may employ one person to
7 assist in the abolishment of the county board of education or board
8 of county school trustees.

9 (h) On September 1, 2023, the participating component
10 school district with the largest number of students in average
11 daily attendance has the right of first refusal to buy, at fair
12 market value, the administrative building of the county board of
13 education or board of county school trustees.

14 (i) An ad valorem tax assessed by a county board of
15 education or board of county school trustees shall continue to be
16 assessed by the county on behalf of the board for the purpose of
17 paying the principal of and interest on any bonds issued by the
18 county board of education or board of county school trustees until
19 all bonds are paid in full. This subsection applies only to a bond
20 issued before the effective date of this Act for which the tax
21 receipts were obligated. On payment of all bonds issued by the
22 county board of education or board of county school trustees, the ad
23 valorem tax may no longer be assessed.

24 (j) In the manner provided by rule of the commissioner of
25 education, the county shall collect and use any delinquent taxes
26 imposed by or on behalf of the county board of education or board of
27 county school trustees.

1 (k) The dissolution committee shall distribute the assets
2 remaining after discharge of the liabilities of the county board of
3 education or board of county school trustees to the component
4 school districts in the county in proportionate shares equal to the
5 proportion that the amount of money a district has submitted to the
6 county board of education or board of county school trustees has to
7 the total amount of money submitted by all districts. The
8 dissolution committee shall liquidate board assets as necessary to
9 discharge board liabilities and facilitate the distribution of
10 assets. A person authorized by the dissolution committee shall
11 execute any documents necessary to complete the transfer of assets,
12 liabilities, or contracts.

13 (1) The dissolution committee shall encourage the component
14 school districts to:

15 (1) continue sharing services received through the
16 county board of education or board of county school trustees; and

17 (2) give preference to private sector contractors to
18 continue services provided by the county board of education or
19 board of county school trustees.

20 (m) The chief financial officer and financial advisor for
21 the county board of education or board of county school trustees
22 shall provide assistance to the dissolution committee in abolishing
23 the county board of education or board of county school trustees.

24 (n) The Texas Education Agency shall provide assistance to a
25 dissolution committee in the distribution of assets, liabilities,
26 contracts, and services of a county board of education or board of
27 county school trustees abolished by this Act.

1 (o) Any dissolution committee created as provided by this
2 Act is abolished on the date all debt obligations of the county
3 board of education or board of county school trustees are paid in
4 full and all assets have been distributed to component school
5 districts.

6 SECTION 2. This Act takes effect September 1, 2021.